

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 6597**

**BILL NUMBER:** HB 1134

**NOTE PREPARED:** Jan 1, 2012

**BILL AMENDED:**

**SUBJECT:** Various Education Matters.

**FIRST AUTHOR:** Rep. Speedy

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** X **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** *Transportation Services:* This bill provides that no fee may be charged to a parent or student for transportation to and from school if a school corporation provides transportation or contracts with an educational service center to provide transportation.

*Bus Standards:* The bill requires the State School Bus Committee to establish minimum standards requiring periodic sampling of drive train lubricants and cooling system fluids for school buses and special purpose buses.

The bill specifies that the necessity for replacing a school bus must be documented based on the periodic sampling of drive train lubricants and cooling system fluids.

The bill makes technical corrections.

**Effective Date:** July 1, 2012.

**Explanation of State Expenditures:** *Bus Standards:* The development of minimum standards requiring periodic sampling of drive train lubricants and cooling system fluids for school buses and special purpose buses would be done by the School Bus Committee. The committee meets monthly, so there should be no additional costs with developing the standards.

**Background:** The School Bus Committee is a 13-member committee; 9 of the members are voting and 4 are nonvoting members.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** *Transportation Services:* The bill could impact local expenditures and revenues for transportation services since school corporations would not be allowed to charge a fee for transportation services or provide transportation services through a third party that would charge a fee. This will limit a school's ability to provide transportation services if they are not able to support these expenditures within their existing budget and revenue sources.

Currently, a few school corporations are providing transportation services through a third party that charges a fee. For example, Franklin Township Community School Corporation in Marion County is one school that provides transportation through a third party. The parent is charged \$475 for the first child and \$405 for each additional student transported.

*Bus Standards:* The requirement to base the necessity of replacing a school bus based on the periodic sampling of drive train lubricants and cooling system fluids could reduce expenditures for school bus replacements. For FY 2011, schools spent about \$55.4 M on the purchase of school buses.

**Explanation of Local Revenues:**

**State Agencies Affected:** Department of Education.

**Local Agencies Affected:** Local schools.

**Information Sources:** Department of Education biannual financial data.

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